



1882

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INTERPOLATED MINUTES.

A STATEMENT FOR THE BOARD OF TRUSTEES.

In June, 1881, on motion of Mr. C. N. Potter, seconded by the writer, the following resolution was adopted by the Board of Trustees.

Resolved, That the finance committee be requested to examine the minutes of the board and College records with a view to their revision, and that they suggest instruction to the secretary for the keeping of the minutes. But no change must be made in the record of the action of the board."

This was in consequence of the discovery of indiscrete tampering with the College records. The resolution was intentionally general in its terms, to avoid, so far as possible, exposure of of the President.

Four months later the finance committee, at the October meeting, held in place of the regular one of the 14th (at which the interference of the President had prevented a quorum), referred the matter to three of their number, Judge Landon, C. N. Potter and myself, to consider and report. But providential circumstances precluded this method of adjustment and made it necessary to ask the entire Board to pass their judgment upon the case. This was conclusively done in June last, as will appear from the following resolution of the Board :—

“It having been alleged that unauthorized notes and other writings purporting to be “records” have been introduced into the “Book of Minutes” of this board, and into other College account books.

Resolved, That it is improper for any person to make or order to be made, notes or records in the “Book of Minutes” of this Board or in the College account books, without authority from the Board of Trustees.

Resolved, That the finance committee is hereby instructed to excise from the College records, or otherwise invalidate, any such unauthorized writings and report their action to this Board for its approval ; and also that this committee shall make proper efforts to preclude hereafter any writing of notes or records in the minutes or account books of the College by others than the officer intrusted with this duty.”

Thus far the presentation of the matter had been carefully impersonal. But in the late in-

vestigation bearing upon the suitability of the President for his office, in the defence against the charge of having impaired the book of minutes, he claimed that a mere mistake in locating such important records was too frivolous a matter for serious complaint.

In all this not only was the gross impropriety of such an unauthorized invasion of College records ignored, but the extenuating plea was that these entries were true and of great value. Some other trustees appeared to accept this view of the case. One member said he supposed the correctness of the records was not disputed ; and the counsel of the President *asserted* the same. All this constrained me then to intimate and now to show that most of these representations are not worthy of credit or approval, but (as Judge Potter insists, appendix B.) impair our minutes and *might* legally involve the College.

On the assumption that other trustees, non-resident and of later connection with the Board, have only partial information, I am not at liberty to withhold the knowledge in my possession.

I therefore solicit careful consideration of the following statements.

The introductory statement of this interpolation was made months after the treasurer had been misled into connecting his certificate therewith. Certainly honorable men might be allowed to regard this as a misdemeanor.

The *substance* of this first statement is no less a wrong, inasmuch as there is implied a *quasi* authority for this record of the President's financial operations which the by-law in question never intended.

That by-law of 1876 referred to a demand of the treasurer for relief from responsibility in regard to the use of funds received and controlled by the President without specific directions from the donors (Fin. Com. Minutes, April 6th, 1875).

The phrase "*published, recorded or filed,*" is an instance of Dr. Potter's method of quoting as authorized, what are simply his own statements and suggestions, and whether in reports or otherwise never approved or adopted by the Board. Parts of his so-called reports never came to our notice. He would read extracts, omit matters he did not care to discuss, say he "would not trouble the Board with details, but simply file them," and afterwards refer to such files as authoritative documents.

“ Communications and resolutions recorded in finance committee and trustees’ minutes.”

The trustees should thoroughly investigate matters thus cursorily referred to and determine how far they are correct and to what extent they should be revised and adjusted ; as an instance, see the President’s letter to the secretary of finance committee with accompanying memoranda, incorporated *by the President’s order* after the committee’s minute of April 6th, 1875, and at a time when we had not learned the necessity of regularly reviewing and approving said minutes.

Within the last decade the College has been made liable in several instances, when in my opinion proper inquiry will show that there should be no liability. See also in the minutes of the Board the note following the records of June, 1874, which was in no sense any action of trustees but only an “ understanding ” of the President, and entered by his order.

In regard to “ *Clarkson N. Potter’s scholarships* ” (which by the pencilled “ s ” referred to in Appendix A, is now made to read in the resolution “ *a scholarships* ”) Judge Potter has explained. See Appendix B.

The mention of "*advances by C. N. P., for U. C.,*" in "closing of Lowber litigation" is misleading in such a list of donations. Let it be simply understood that Mr. Potter, on his own responsibility agreed that the College should pay \$10,000, though he and we felt it to be unjust, and that the finance committee *ultimately* consented to the same and repaid to Mr. Potter principal and seven per cent interest. Since this advance took \$10,000 with interest *from* the College, it is hard to understand why it should be stated as a gift or advance *to* the institution.

T. H. P. or Thomas Henry Powers, Memorial donations, subject to direction by the President; President's report 1872-3, Treasurer's 1873-1880. Letters marked *C*,

The claim that the above funds are "subject to direction by the President" is an instance of the danger of allowing such records to pass unchallenged.

Take the T. H. P. fund of \$3,000, still entered as a "liability" in our treasurer's report. When handed to the treasurer it was first credited by order of the President to "parks and buildings"

and there *expended* "by his direction" Afterwards restored by the finance committee as a College liability.

See extract from day book April 9, 1874.

"In the month of May, 1873, the treasurer received several donations for the College through the hands of the President, who directed that the monies should be credited to 'parks and buildings' which was accordingly done and the money was spent for diverse purposes.

What the conditions accompanying these donations were, is not known to the treasurer. This matter having been brought to the notice of the finance committee at their meeting held June 3, 1874, it was concluded that the above disposition of these donations was improper, and that the several sums (save that of Mr. Tracy) ought to be treated as so many funds of which only the interest should be expended unless the donors otherwise direct. In compliance therefore with the decision of the finance committee, the following funds are made out of the stock account of the College, to wit :

The *T. H. Powers Memorial*, given by Thomas H. Powers of Philadelphia, May 26th, 1873.

The *S. B. Brownell Fund*, \$1,000 given May 1st, 1873, by S. B. Brownell of New York.

Conditions to be made hereafter." (Note, the

President stated April 13th, 1878, that this fund is to be called the Jackson Professorship Fund.)

Now again, in these interpolated minutes, this T. H. P. fund is claimed to be "subject to direction by the President."

The following *copy* of Mr. Powers' letter was only received at the treasury office in May, 1875, two years after its date.

Philadelphia, 4th April, 1873.

PRESIDENT POTTER—My Dear Sir,

In view of Union College being conducted on union principles, it will give me pleasure to contribute \$3,000, towards a fund to establish an annual or biennial course of lectures on the "Evidences of Christianity" not more than one in any two courses of the lectures to be delivered by members of the same denomination, and both ministers and laymen to be eligible as lecturers, further details to be arranged hereafter.

Truly and respectfully, Dear Sir,
Your friend and well wisher,
(signed) THOMAS H. POWERS."

"Received from Dr. Potter (copy not original) and entered in the day book." J P., treasurer.

Endorsed on the back of the copy. "Until this fund can be increased so as to be sufficient for the proposed purpose, I have notified Mr. Powers that the income would be used in whole or in part for the expenses or possible publication of the annual sermons and the Chancellor's address."

(signed) E. N. POTTER,
President.

Of course there was no income as the fund had already been expended and the College had at this time no funds to replace but accepted it as a liability.

Is this one of the missing "Trust Funds" concerning which there has recently been inquiry? Should this fund *continue* to be "subject to *direction* by the President?"

In regard to the other \$10,000, given by Mrs. Powers, two unauthorized foot-notes entered by President's orders, after action of finance committee, are in conflict with previous statements made to the committee. Whatever is decided on, such points should be done deliberately by the board or finance committee and not left to any such unauthorized statement.

Bequest of Dr. McClelland, scholarships bearing his name, &c., reports of President and treasurer 1877-1879, finance and trustees' minutes, &c.

In respect to Dr. McClelland's bequest it is only necessary to refer to Judge Potter's opinion, Appendix B, and quote from the President's own report, 1874-5.

"Prof. Wells is meeting with success as the active agent of the alumni and trustees.

He brings from Hon. Judge Gilbert M. Spier, LL.D., whose name I must be permitted gratefully to mention in this connection, informal information of a very considerable bequest made by an alumnus of the College, the late Dr. McClelland, of the class of 1832."

John David Wolfe, scholarship foundation, aid &c., assigned as President directs. (See minutes trustees and finance committee and letters recorded).

See Judge Potter's opinion (Appendix B). Dr. Potter stated to the finance committee April 6th, 1875. "My agreement in the matter of the John David Wolfe scholarship fund was that none should suffer from the presence of students on that foundation *their tuition being an absolutely free gift from the college.*

But Miss Wolfe's letter was not so understood when the trust was accepted. "In creating this trust," she writes, "I have relied upon the statement that *in-as-much as your college will afford gratuitous tuition*, each student can be sustained or sufficiently aided by the yearly application to his case of about two hundred dollars, and sometimes even less; and that if five such students should be admitted annually and each continue four years, *the number of beneficiaries at any one time would be about twenty*; and that the income of fifty thousand dollars would probably

afford adequate aid to that number ; and it is accordingly my design to enable you to carry this plan into effect."

The trustees accepted this generous provision from Miss Wolfe, for students board, on the basis of free tuition funds, which authorized their part of the contract ; but Dr. Potter subsequently insisted this was not so, and furthermore ran up the twenty to *fifty* free tuition scholarships on that foundation alone ; thus imposing from \$5,000 to \$6,000, of remitted term bills upon the College. A few more such generous donations, *thus administered*, would soon drive the College into bankruptcy.

In this connection it is proper to add that the statement, by the defence in the late investigation, to the effect that no question had ever been made in regard to the ordering of free tuition, is incorrect. For years past it has been a subject of anxious discussion, with increasing lack of confidence in the methods of the present, as contrasted with Dr. Nott's, administration. This is indicated by the late restrictions.

Catherine L. Wolfe donations to be expended at the President's discretion. (See President's report and treasurer's report 1873-1875 to date, finance and trustees' minutes as to land foundation for purposes of art and culture, and letters herewith. D.)

CHRISTIAN UNION ENDOWMENT FUND OF \$5000.

This donation was received by the treasurer May, 1873, and by order of the President credited to "parks and buildings" and *there expended under his direction.*

April, 1874, it was restored to "stock or capital account" by order of the finance committee, Dr. Potter urging that the advance was only to meet an emergency. See treasurer's report 1874.

April 6th, 1875, we find the following statement from a written report of the President, read before the finance committee and entered upon their minutes. "Of several gifts where donors have left to the President the decision of their object, only two remain unassigned; that of Mr. Blatchford \$10,000; that of Miss Wolfe, \$5,000; these have been paid to the treasurer, and *the President directs each year the special College objects to which the income or part of the principal shall be devoted.* Upon his death or resignation if they have not been assigned by him to *some special object of importance to the College they go to the general funds.*"

This above fund replaced for some "special object of importance to the College" was ex-

pended the *second* time, under the President's direction as follows: (compare dates in connection with the above statement to finance committee).

1874.	March to June, paid for students board.....	\$1,297 45
“	May 14th, To “E. N. Potter” for students board.....	700 00
“	June to August, for students board.....	344 73
1875.	April 21st, To “E. N. P.” for payments to members of the faculty, northern students and other advances”.....	719 47
1875.	Oct. 2d, transferred to credit of E. N. Potter for advances on Fuller residence ”.....	1,500 00
	Transferred to parks and buildings for future repairs on Fuller residence.....	500 00
	Total	<u>\$5,061 65</u>

When the statement was made to finance committee nearly half of the fund replaced from College resources had been a second time expended and within six months the remainder was paid the President in cash, on his claim for “advances” or transferred for future repairs on his house.

Here we have striking instance of Dr. Potter's unique and favorite system of "*double entry.*"

With regard to the other gifts of this generous lady, in the aggregate over thirty thousand dollars, I presume the fiscal report of the Alumni trustees will sufficiently show that the discretion of the disbursement has been most indiscreet, and that it has in no sense "endowed" the College. The same must be said of almost all the contributions under "the discretion of the President."

James Brown fund; of the bequest of \$100,000, the principal and interest of \$20,000 is reserved during one life. Payments of the interest on \$80,000 were made to the college before the donor's death. (See finance and trustees' minutes and letters with A.)

The memorandum with A showing that Mr. B. had decided upon other objects, and as not being an alumnus, declined helping Union until President Potter (1873-4), presenting the claims of Christian unity secured the Coe memorial and the above; the College thus gaining more than one hundred and ten thousand dollars.

This historical statement is incorrect, and unjust to Mr. Brown, and not in accord with the President's report of 1874, which speaks of Mr. Brown's "*life-long devotion to the college.*"

Witnesses are living to testify that between 1860-69, Mr. Brown gave repeated assurances,

to Dr. Nott, to trustees, to professors, on different occasions, of an intention to remember the College by a donation or in his will ; and at this later date he suggested to Judge Potter his intention to make some provision for Mrs. Nott.

A desire to promote the success of the young President may have influenced Mr. Brown to make the donation in 1874, rather than later, but Dr. Potter certainly had no part in the *settlement* of this gift.

In October, 1873, Dr. Potter pressed me to write Mr. Brown on the subject of this long-promised donation. I refused from motives of delicacy, but consented to write a letter he could show Mr. Brown. Subsequently Mr. Brown called on me repeatedly, in New York, and discussed the pressing needs of the College and afterwards wrote to me. One or two extracts will suffice.

“ Jan. 28, 1874.

Mr. Geo. De Forest Lord, who drew up my will, is now adding a codicil concerning my gift to Union Theological Seminary * * *

I mentioned to him my views expressed to you and he would be very glad if it could be embraced in the present codicil * * so that when you and Judge Potter make up your own minds what one or more objects you would suggest, I would bring Mr. Lord and Judge Platt, in correspondence to see what particulars may be needed before Mr. Lord proceeds. If you and Judge Potter, would like to take counsel of any

of the other trustees, for your *own* satisfaction, I see no objection, but I shall be quite satisfied that your long acquaintance with the needs of the College will be satisfactory to me."

"P. S. In my letter to you of the 21st inst., I notice that I had suggested a fire-proof library. I now wish to say, that if the income could be better used in any other way than in building, I don't wish my suggestion to confine or embarrass you in any way."

Feb. 7, 1874.

"I have concluded in the main to carry out your wise suggestions. After setting apart \$20,000 to secure an annuity to Mrs. Nott, there will remain \$80,000, which with the interest of that sum \$5,600 is placed at the disposal of the trustees, to make such insurance on the lives of professors and teachers as they may think best. It will also authorize (not direct them) to appropriate (when in funds) \$30,000, for the building you suggested, leaving the remainder to be used for the best interest of the College. Thus giving them all the liberty they can desire to use the \$80,000.

Mr. Lord is now engaged in drawing the necessary papers for my signature, which I trust will be executed in a few days *thus carrying out my views and wishes during my own life-time*. I feel very much indebted to you and Judge Potter, and other friends who assisted you in coming to the conclusions you did. All having the same desire to make the gift subserve the best interests of the college.

I remain, my dear Dr. Backus,

Your's very truly,

JAMES BROWN."

If Mr. Brown were living he would be truly amazed to learn "that not being an alumnus he

declined helping Union until President Potter presenting the claims of Christian unity secured the Coe memorial, and the above, the College thus gaining more than one hundred and ten thousand dollars.”

The contributions of Mr. Joseph W. Fuller of ten thousand dollars (\$10,000), and Mr. S. T. Benedict of a like amount, are included under the head of College residence, etc., above; also those of Mr. S., President Potter and of the Messrs. Brown & Coffin.

The college encouraged the erection and completion of Memorial Hall and the residence occupied by the President, by voting funds in prosperous times, but hard times following almost to date, it has been prevented as yet from fulfilling its purposes and relations, and friends of the President have carried forward the undertakings. (Sec trustees and financial committee minutes.)

1. This reference to the President's residence needs correction.

The fact is that Mr. Fuller generously donated \$10,000, to build the residence of his son-in-law, and the College was compelled by the extravagance of the operation to contribute largely *from its own funds, and in hard times, to complete it.*

1872, May 28, p. 126, Fin. Com. Minutes.

The payment of \$10,000 by Mr. J. W. Fuller for the erection of the new College residence was reported and it was

“ *Resolved*, that the treasurer pay an additional sum of not more than \$2,000, for certain necessary extras and additional expenses.”

1873, Jan. 28, p. 133, Fin. Com. Minutes. On motion prepared by the President

“ *Resolved*, that with the approval of the Rev. Dr. Backus and the Hon. Judge Potter, the *excess* of cost (over and above the sum previously voted) of the Fuller residence (that is \$800 advanced and \$1,200 yet due) may be paid by the treasurer and charged to the account of College parks and buildings, provided that any additional sum of money necessary for the purpose shall be advanced by the President, without interest, until such times as it can be refunded from the sale of the lots.

In view of endowments secured to the College by the President and of his purpose to spend \$2,000 in completing the residence.

Resolved, that upon the approval of the Hon. Judge Potter and Rev. Dr. Backus of a lease of the Fuller residence, granting to Dr. and Mrs. Potter its use during life, the treasurer is hereby authorized to execute and deliver the same.

P 226. “The propositions contained in the above resolutions have our approval, it being however expressly understood, that the treasurer, in carrying out the same, is to receive from Dr. Potter the advance of the sum of money necessary, without the College being requested to pay any interest on the same.”

(Signed) P. POTTER and J. TRUMBULL BACKUS.

NOTE : These funds were not advanced by Dr. Potter, but by his orders certain donations received about this time were improperly entered to account of “ parks and buildings,” and spent ; afterwards restored from College funds. These

sums paid by the College were largely supplemented later by monies contributed, through the President, for the benefit of the College.

All this would seem to be in direct contravention of the statement given above from these interpolations.

The manner in which the President's part of the covenant was treated, is not more to be approved than are the several reports of the case.

2. As to any contribution of \$10,000, from Mr. S. T. Benedict see Judge Potter's opinion (Appendix B) "Contributions to College residences" by Mr. S. and Messrs Brown and Coffin" are not known in any College records.

3. What can be meant by this statement in regard to *Memorial Hall*? The actual history of the case is just reversed.

Previous to 1871,—in 1867 and again in 1870—the trustees expressed a willingness to co-operate with the Alumni in erecting the building. But the first substantial movement was made by the Messrs Potter in 1872, in an offer of \$40,000, to put the building under roof.

The plan then was a plain structure without a dome, and so arranged as to subserve several useful and much needed purposes.

But in 1874 Mr. Clarkson Potter covenanted to give \$10,000 more, if the trustees and friends

of the College would undertake to add the dome and make the building fire-proof and include arrangements for a Library and Art Gallery.

All this however was understood by the Board to be according to the plan with "*stories*," "giving necessary accommodation" etc., agreed upon by the trustees and referred to in the President's report of 1872. (Appendix C).

No authority was ever given for the radical changes in the interior which were afterwards revealed to us too late for remedy.

The trustees in agreeing to Mr. Potter's proposal, limited the amount of their liability to \$50,000, which it was understood was not to draw upon the educational resources of the College but to have for its basis a land grant. They however authorized a contract under the approval of a committee appointed to supervise the proceeding, so far as related to the erection of a "dome and the covering in of the building before winter", any further contract for completion of the fire-proof interior, requiring by special order of the Board, the concurrence of the finance committee. Yet most essential changes were made without the knowledge of either of these committees, greatly to the damage of the structure, as some experts think, and detrimental to its utility.

The intimation that the "College" owing to "hard times" or any other cause, failed to fulfil its part of the covenant of 1874 is untrue. But the promised \$10,000, which was the inducement for the College to take so large a share in the cost is yet unpaid.

Yet the \$17,000, paid to the Cornells, Dec. 30th, 1874, *by the President before the work had been properly approved*, absorbed an equal amount of seven per cent bonds and mortgages belonging to the College; and the \$10,000 paid in September, 1875, was raised by a mortgage on the front lawn, which still subtracts \$600, annual interest from our educational resources.

Now when the Board in January, 1875, on a motion prepared by Dr. Potter, authorized the contract to be made with the Cornells for the interior finishing, and with the understanding the payment should be in land, the facts were that months before (that is to say in November), a letter contract had been already made with the Cornells by the President, and they were acting upon it. Still further, the treasurer's signature to that contract had been obtained on the assurance from the President that Judge Potter and the writer concurred, when we knew nothing of such a contract and would have well understood that without the action of the finance committee we had no authority to give such con-

currence, and the result of all this interference by correspondence and unauthorized, irregular contract, was a confusion of cross purposes, out of which came complications with the contractors and the final compromise involving a large cash payment instead of land.

NOTE. Extract from Judge Potter's letter to Messrs. Cornell, Feb. 11, 1876.

"If any misunderstanding arises as to the terms or construction of our agreements it comes, as is always the case, by relying on correspondence, instead of a permanent form of agreement signed by both parties." * * * "When agreements rest in correspondence the fewer the persons who correspond, the more likely it is that they avoid misunderstandings."

Also extract from letter of June 9, 1876.

"Now as to this second contract, which, unfortunately, with the first, was by correspondence, and was varied and modified from time to time, the question arises, how you were to be paid? Whether all in land at appraised prices or one-third in land at our established prices and remainder in cash." Judge Potter, arguing the case on behalf of the college, does so on the basis of this contract of November 4th and 9th, 1874, from letters furnished him by the President and treasurer. At this late date the true cause of the misunderstandings was shown.

For miscellaneous communications as to gifts and endowments, etc., see *M.* also for Century Club, circular, etc.

Contributions or bequests of *one thousand dollars* (\$1,000), (see treasurer's report, &c., 1872 to 1881; also, for smaller contributions, *M.*), commemorated permanently by *scholarships or library cases*, &c.

Mr. Joseph W. Fuller, Mr. William Tracy, Mr. S. B. Brownell, Mr. Wm. H. H. Moore (\$2,000), Mr. Uri Gilbert (gymnasium), Mr. Hamilton Harris (1874-5), Mr. Johnson Livingston, President Potter (1877), Mr. Madison Young (bequest, discounted), John S. Perry, Esq., 1880; Mr. William F. Allen, Robert Lennox Kennedy, Esq., 1880; Mr. Theodore Irwin (interest bearing promise), John H. Van Antwerp, Esq., 1880; Mr. Thomas Scott, Mrs. E. A. Gammell, 1880; Messrs. George and John R. and James S. Whitney, for Asa Whitney memorial, 1880; Mr. Elias Mann (bequest), etc.

The above note "*contributions or bequests of one thousand dollars commemorated permanently by scholarships or library cases, &c.*," would appear to apply to the aggregate of some \$20,000, in the list given just below.

This is very incorrect. These gifts for the most part have no claim to be so commemorated, and the President cannot impose such a liability upon the College.

The donations of Messrs. Fuller, Whitney, and Irwin, are library liabilities, those of Messrs. Kennedy, Van Antwerp and Perry, have been

expended for the most part for library purposes. Others were donated for the gymnasium, apparatus, prizes or professorships.

The President's centennial donation, was for the most part, simply in bills and vouchers of expenditures and not an endowment.

Elias Mann (bequest), &c., is unknown in College records.

The Mason scholarships, two in number, thus far founded by the gift of five thousand dollars (\$5,000), two thousand, five hundred (\$2,500) being the gift of Miss Ellen Mason and two thousand five hundred (\$2,500) being the gift of Miss Ida Mason; two thousand dollars (\$2,000) of this total amount being devoted to general College purposes, thus providing full term bills to the amount due from two students. In accordance somewhat with the scholarship plan of Judge Harris, adopted by the Board. The annual income on the remaining \$3,000 being devoted to boarding, aid, etc., for these and other students. (See letters, etc., recorded in College day book and minutes finance committee, Jan., 1881.)

I protest most earnestly against the whole record in regard to the Mason scholarships. The history of this case is a blot upon the honor of the institution and the character of its President. It is for the committee of the alumni trustees to present to the Board, the scandalous details of this matter; suffice it therefore for me to say the Board cannot honorably permit it to

continue unadjusted. It appears to be preëminently a case for the application of the advice of the New York lawyer. It will surprise me if the Board does not find itself ultimately compelled to expose and rectify the wrong. Certainly it is a marked instance to show that these interpolations impair our book of minutes.

I commend to the trustees a careful comparison of this method and that of Judge Harris, which *inter alia* recites :

“7. The funds of the scholarships herein provided for, shall be invested and held in trust in the same manner as the other permanent funds of the College.”

In regard to the absurdly vaunted “*land credit of \$250,000 added to the general funds by the President.*” See Judge Potter’s statement (Appendix B).

It has ever been a question with me whether this adjustment between two College funds alike contributing to the educational work of the institution, however proper and desirable, was not premature.

Since the last meeting of the Board the fact has come to my knowledge that the account of this transaction recorded in the minutes of the finance committee, May 6th, 1874, pp. 167-173 is an emanation from Dr. Potter’s pen entered by his order, and in some important respects not giving the true history of the case.

UNION UNIVERSITY.

DUDLEY OBSERVATORY, Jan. 28th, 1881.

MY DEAR SIR :

My annual report is now ready for the board. In securing your oversight as President in the Union University for Dudley Observatory and its proposed reorganization, a small stipend was provided and later was somewhat enlarged, but no payments were made to or accepted by you until the funds of the Observatory had been largely increased by your efforts when you consented to receive payment of the total stipend only. No other emoluments or payments were made to or received by you, and later on, upon your voluntary relinquishment of your stipend for yourself and in behalf of the Observatory, you received in June, 1879, the unanimous thanks of its trustees in the following resolution offered by Thos. W. Olcott :

“Resolved, That President Potter’s voluntary relinquishment of his salary, in a letter to Mr. Olcott, shows a commendable regard for the interest of the Observatory, which has suffered from the pressure of the times.”

The dean of the Observatory and secretary of the board of trustees, in forwarding the resolution, writes: “Permit me to add my personal acknowledgments for your considerate action taken at a time when the full financial strength of the Observatory will be needed to carry on the great work we have undertaken.”

Mr. Thos. W. Olcott, a trustee of each of the institutions of the University, in his letter asking your acceptance of a testimonial of his appreciation of your services to this institution, etc., and to Union College, writes: “Your (College) compensation is inadequate, especially when compared to the valuable services which you render.” And adds, in a letter to the trustees of Union College: “Allow me to congratulate you upon the life “and extended reputation which your efficient President has imparted to your venerable institution.”

The trustees of the Observatory entrusted to you the entire reorganization of the Dudley Observatory, and the conduct of the delicate, responsible and extended correspondence connected also

with the various departments of the national government (whose aid was secured to the institution) and with the President and Congress of the United States.

The buildings of the Observatory have been increased in number and greatly improved in condition and equipments, and it gives me pleasure to add that you have carried forward the arduous and responsible work energetically, satisfactorily and successfully.

Sincerely yours,

ISAAC W. VOSBURG,

Treasurer, D. O.

This letter Dr. Potter admitted on the witness stand to have been drafted by himself and signed at his solicitation by the treasurer of the Dudley Observatory. Information in my possession induces the inquiry why the peculiar wording of this letter? Was the "total stipend" referred to, the commission demanded in addition to expenses, for securing the government grant of \$20,000 to the Observatory? Or why, did the President of Union College, without the knowledge of its trustees, receive a salary from this department of the University? The above letter is only a striking instance of a characteristic method. What is known as the second Cornell contract is another. (Appendix C.) Other like improprieties are to be found in the College records.

Now what are the facts as to this "brief" which is claimed to cover "a total of some six or seven hundred thousand dollars, at least, with bequest yet to fall due," "added to the general funds by the President."

"Parturiunt montes, nascetur ridiculus mus."

At least \$500,000, of the above were not added in any proper sense to the College funds by the President.

Two hundred and fifty thousand is a mere transfer of land on the College books from one fund to another, both owned and controlled by the same party. Seventy-five thousand are really liabilities imposed upon the College, not gifts to the College.

Mr. Benedict's house is another absurd claim for \$10,000.

Dr. McClelland's legacy and some other donations for apparatus and the Professorial Funds were in no sense secured by the President, he had no agency whatever in the matter.

So his claim as to Mr. Brown's large fund is not correct.

More than \$100,000, expended on parks and buildings have as a full offset about the same amount subtracted from College productive assets for that account, thus imposing debt and financial weakness upon the institution.

Some fifty to sixty thousand belong to the President's so-called discretionary funds which have been of little avail for any real College needs, though in some instances imposing permanent liabilities.

The history of these large funds solicited and disbursed by the President in his exclusive discretion, compels me to say that as trustees we have no right to allow hereafter funds to be received by any officer of the College on such terms.

I recognize with pleasure that the Levi Parson's gift of \$50,000, (two-fifths of which materially aid the education work of the College and the remainder a very wise appropriation in furtherance of the same object), has been secured in great part by the President's efforts; and though the Asa Packer promise of \$10,000, is not yet fulfilled, except in the payment of the annual interest, that and the Coe Memorial and a few thousand dollars of other donations all for the library, are certainly very creditable additions to our educational facilities.

This large amount therefore on the ground of which the President and his advocates so zealously insist on his claims for eminently valuable and indispensable services to the College, dwindles before the facts into very small dimensions.

It is indeed a question with me whether in the department of finances alone, his influence has not been so injurious as to more than balance any benefits secured through his instrumentality.

Many of these transactions have been considered by Judge Potter (Appendix B.) and details may be expected to be so fully treated in the coming report of the Alumni trustees, that I omit them.

Enough has been presented to prove that these interpolations are on the whole incorrect, and do impair College records, and should in no way, and to no extent, be treated with respect by the board of trustees. Of course if these and other interpolations are "only foolish and frivolous," or if they are to be accepted as things "done in the faithful exercise of trust" it is not difficult to anticipate what the public must ultimately judge respecting the honor and honesty of the guardians of Union College.

In presenting these statements, my convictions accord with the printed opinion procured and pressed upon the Board by a trustee (Mr. Howard Potter) 'that it is a plain duty to invite the attention of the Board * * * to such facts and to do what I can to put a stop to wrong practices.'

J. T. BACKUS.

SCHENECTADY, *January*, 1883.

APPENDIX A.

Early in 1881, two members of the finance committee, Judge Landon and myself, in the discharge of duties assigned to us, had occasion to visit the treasury office and look into the records. This and other instances of tampering with College records were then made known to us, the officials having become embarrassed and asking for advice in regard to their duty.

We ascertained that the Book of Minutes had been taken from the office without the knowledge of its custodians and some seven pages of record made therein without authority of any sort; and the treasurer's certificate and signature subsequently secured thereto he being ignorant of the fact that he was tampering with the trustees' book of minutes, instead of simply certifying as he supposed to the correctness of copy of certain papers in a private book of the President.

Further inquiries brought to light other instances of tampering with College records: viz. such as page 14, book of minutes, a foot note purports to change a previous order of the trus-

tees from \$50,000 to \$60,000, which on page 20 of the same book is made the basis of a resolution unwittingly endorsing that change. Again on page 40 the letter "s" is added in pencil to make the complimentary scholarship awarded to Mr. C. N. Potter cover more than one; which plurality in the face of the plainest evidence of other parts of the record, the President has ever since assumed and acted upon; then, on page 49 of the day book of 1880, and 1881, we found two notes so arranged by dates and otherwise as virtually to falsify the proper record and misrepresent the history of the case. The minutes of the finance committee 1880, were in like manner interpolated and this made the basis of one of the most unworthy operations chargeable against Dr. Potter's administration; what purported to be an extract therefrom was so changed and added to, that when presented to certain trustees it entirely deceived them as to the authority he claimed for negotiating and contracting in regard to certain proceedings for buildings never authorized by the Board or any competent authority.

These matters having been anxiously considered by the resident members in June, 1881, were fully canvassed at a regular meeting of the finance committee in a prolonged and painful discussion with Dr. Potter, and the intimation given that either the matter must be honorably

adjusted there, or brought the next day to the attention of the Board of Trustees. After conferring with several trustees on the subject, it seemed so desirable to avoid a disgraceful exposure, that in an interview sought by Mr. C. N. Potter the next morning it was agreed that he should offer and I second the resolution recited at the opening of this statement.

APPENDIX B.

EXTRACT FROM JUDGE POTTER'S OPINION PREPARED
 "IN THE MATTER OF THE CHARGES PREFERRED
 BY MEMBERS OF THE FACULTY OF UNION COL-
 LEGE, AGAINST THE REV. E. NOTT POTTER, AS
 PRESIDENT THEREOF."

Specification VIII.

"This charges that the President caused to be inserted in the book of minutes of the Board of Trustees of the College without the authority or consent of the Board, certain statements as to donations to the College, purporting to have been procured by him, thereby impairing the integrity of the said book of minutes.

This specification is fully sustained.

Remarks as reasons for this finding.

First. Without regard to the motive in doing the act, and passing for the present the question of the integrity thereof set up in defence of this statement in the answer made thereto, it was still a most improper act. True, as has been alleged, this statement will be no part of the minutes of the board when it shall be expunged, as of course

it will be under the action already taken in that regard ; it cannot be legally denied, that while it remains it does impair their integrity. It is in no wise a part of the proceedings of the Board. It was never directed or authorized by them ; it is not therefore their record. It is not their minute and does therefore legally impair the integrity of their said book of minutes.

A copy of these entries are now introduced in evidence and must be considered by us.

Being thus seen it appears that they not only impair the verity of the record but still more the verity of history. It might seem doubtful at a first or superficial view of these entries, whether the President intended only to state that the gifts and donations therein referred to came to the College during the period of his administration ; or whether he intended to state that they came to the College by and through his instrumentality and agency. In either view the statements are not only in conflict with verity but are greatly misleading. The doubt as to the meaning of the statement however is made quite clear, at folio 175 of the evidence, page 36, part 1. The President there states : “ In the College records also will be found further information on these subjects, including the land credit of two hundred and fifty thousand dollars added to the general

funds by the President," and adds, "If gifts not in money and the land credit suggested and *secured by the President to the general funds be included*, this brief covers a total of some six or seven hundred thousand dollars at least," "with bequest yet to fall due."

To the members of the Board now living and who were trustees at the time of the transaction referred to, these statements are a surprise not to say an astonishment; and for one I owe it as a duty to my successors to protest, both here and elsewhere against such statements being in the book of minutes.

As a trustee of College I should fear an impeachment should I remain silent and thus admit that such an extraordinary amount of funds had been brought to the College by the President without explaining or showing what had become of them; without telling the plain truth of the matter as it is. Such an allegation in the minute book of the Board would amount to a tacit admission, at common law, of its correctness and truth. This I cannot consent to do. I *must* protest.

That certain means, showing an improved condition in the College property affairs were realized by the College, during the period of the President's term, is not to be denied. How they

came there, and by whose and by what agency, and to whom the credit is due, is a very different matter, and is much more important to the cause of truth.

To illustrate. This can be done by the selection of a few of the many items which constitute this more than six hundred thousand dollars (\$600,000) of gifts, donations and means, which, by this most remarkable interpolation in the College minute book, were (as he says) "secured by the President."

The first is that of the land fund as he calls it, of \$250,000, "added to the general funds by the President" I take the liberty of saying that this statement contains two great errors of fact. *First*, that this item was no addition whatever made to the college funds; and *second* that the President had no more agency in the matter than every other trustee; and certainly no more than each of the members of the finance committee. This item was the amount of indebtedness due from "the Nott Trust," to the College, a very considerable time before he became President or trustee. The College had advanced to this trust from time to time its money to pay the expenses for improvements, agencies, salaries, etc., in the management of the trust estate. This indebtedness was undisputed, but the amount thereof was

not fixed and liquidated it is true, until after the election of the President. When so liquidated the amount was admitted to be \$250,000. It was therefore but the settlement of an existing, unliquidated account. This settlement was the act of the Board, on their part. It was not the act of the President. It merely made a change of entry upon the College books. The indebtedness was thus put in another form. But it happened that when so liquidated, the Nott Trust had no money to pay the debt. They had no means with which to meet the claim but real estate belonging to the trust. By a further agreement to meet this claim, a portion of their unproductive lands, appraised to be of the value of \$250,000 was set apart to pay this debt to the College. How then in the name of reason and common sense did the President add this sum of \$250,000 to the funds of the College. It is a fiction.

Another item constituting this great sum of \$600,000 or more added to the College funds "by the President" as stated by him in these interpolated minutes, is the bequest of James Brown of one hundred thousand dollars (\$100,000).

The President's memorandum thereof is as follows: "Mr. Brown had decided upon other objects and as not being an alumnus of the

College declined helping Union, until President Potter, in 1873 or 1874, presenting the claims of Christian unity secured the above, * * * the college thus gaining more than \$100,000."

In this statement the President assumes and claims to have exercised an influence over Mr. Brown that he did not possess. Mr. Brown while a trustee of the College, and long before the President became one, had repeatedly declared to his associates his intention to make this donation to the College. This will also appear by his letters, now in the possession of Dr. Backus, showing his intent to carry out that long intended benefaction. He asked in those letters advice as to the manner and form of making this promised donation ; and in one of his letters he requests that Dr. Backus should also consult me on the subject. And as a result, his bequest was made in accordance with that long expressed intent, and according to the advice given in answer to his letters.

Among the other items which also make up this \$600,000 "secured by the President," is a bequest made to College by Dr. McClelland, from which was realized to the College during the present administration some thirty thousand dollars (\$30,000). The will of Dr. McClelland was drawn by Judge Spier of New York. I have never learned that the President secured or had

any agency whatever in securing this gift. If he had, the instrumentality has not been made known to me.

Another, though a smaller item to make up this large sum of \$600,000, is the scholarship to Clarkson N. Potter, of \$5,000. Instead of this being a contribution obtained *to* the College, it was the acknowledgement of an obligation *from* the College, made to him for most valuable professional services, performed for them in the trial and settlement of vexatious litigations, for which Mr. Potter refused to receive any pecuniary consideration. With this matter the President had no agency whatever. The resolution to confer this scholarship was made to the Board by Mr. Brownell, who was well familiar with the matter; it was seconded by myself. It was worthily bestowed—was a just obligation and so recognized by the Board, but it was no contribution made to the College by any one.

This great sum of \$600,000 also includes \$40,000 of donation made by the Hon. Clarkson N. Potter and his brother Howard Potter, towards the completion of Memorial Hall. These were certainly most liberal donations, and were made during the President's term. Whether they were secured through the influence of the President to the general funds of the College, or were affectionate gifts of the donors, made to secure

befitting memorials to their honored and greatly venerated father and grandfather, the surviving donor now, only, can state. However liberal this donation would seem to be ; whatever the motive of the gift, it certainly did not come within the claim of the President, "of funds secured by him to the College." On the contrary the donation with the addition offered by Mr. C. N. Potter of \$10,000, was made a condition of taking from the College funds to the same amount ; the income of which, was then, and still is, greatly needed to sustain its running expenses ; thus crippling its power, in order to construct an edifice for mere show ; an edifice of no practical utility, but calling for great expense in its care and maintenance. The acceptance of such a donation, upon such a condition by the Collège, was not only unwise, but was an act severely to be criticised. It was not the bringing of funds to the College but was the taking from its funds a large amount. The President ought not to boast of making this diminution of funds, an accumulation. It helps, however, the count of the \$600,000, or more "secured by the President."

Take another item, with which the President makes up the \$600,000 of funds "brought by him into the College," the \$50,000 benefaction of Miss Catherine L. Wolf. This was a noble ben-

efaction, given for most worthy purposes, but not given to the College. Not one dollar of this beneficent endowment comes into the funds of the College. It was a donation made, not to the College, nor to its use, but a gift to poor young men from the southern States. Without intending to detract in the slightest degree from the merit of the noble spirit of benevolence so made manifest by this wealthy parishioner of the Rector of Grace Church. I cannot with truth admit that this was an amount secured to the funds of the College "by the President." Strictly, in a pecuniary point of view, it is an actual loss to the College interests. It is a gift to these poor young men, the income to be used to pay their board and other expenses while being educated; but, nevertheless, upon condition that the College will also aid them, by remitting to them their College term bills. Thus it is seen that the expense of educating these poor young men, is by the payment out of the College funds the salaries of the President, professors, teachers, officers and other agents and other incidental expenses, to pay which the finance committee are compelled from time to time to borrow the means. Thus, practically, the College is educating these young men at their own expense, and by a reduction of the College funds, while the public clamor is, that the

College owns this fund, "secured to it by the President." In shorter language, the College and Miss Wolf are paying these young men for coming here to be educated. This, in some degree, also explains why, for a period, the pupilage in the College has increased, while the actual funds of the College have so greatly diminished. This is so, notwithstanding the claim that a half million of dollars have been added to the College funds.

More absurd still is the claim of the President of \$10,000 obtained by him as part of this \$600,000 of funds from Mr. S. T. Benedict. If it were not seriously put in to this interpolated record, it would be silly. Mr. Benedict made an agreement, not with the President but with the Board of Trustees, that in consideration that the Board would lease to him a certain building lot and garden spot for the period of four lives, then in being, including those of himself and wife; he would erect thereon a dwelling for himself and for the parties named, and at the death of the last survivors the building should become the property of the College. This was a contract equal in its consideration to each party. The College gave the use of the lot and garden, beginning in the present and to end with the last of four lives. Mr. Benedict on

his part, agreed to build himself a dwelling to be enjoyed during those lives. Where is the \$10,000 that the President claims thus to have added? The President individually had nothing to do with this contract. There was no money in it. He did not bring \$10,000 into College funds thereby. I will not proceed further with the analysis of these extraordinary claims; the specimen given must suffice to show the basis of the claim.

I have been compelled to make this analysis and review, somewhat in self defence as a trustee, but made the more imperative, because a recently elected trustee, unacquainted with the verity of the statements in this interpolation, has insisted, that it was no impairment of the College records, but was merely a misplaced history of things done for the College. It is made in sorrow but in the conscientious discharge of duty.

Judge Potter in preparing last summer this opinion, stated, "I, the undersigned, a member of the Board of Trustees of said College, answer openly and in writing, in order to avoid misunderstanding of my views; claiming my right in such my answer to each finding, and in its order to characterize the transaction as it appears to me upon my solemn individual responsibility and view of duty as a trustee of Union College, invested as I am with others, with the burden of a great trust required to be executed for her interest, and irrespective of the personal sympathies (the power of which I have feared) and divested as I know I am of all prejudice towards any."

APPENDIX C.

MEMORIAL HALL.

How is the fact explained that some \$50,000 sacred to educational purposes of the College have been expended upon a building such as this has become ?

Up to 1874 not a single dollar of College funds had been thus expended. *The Decennial Review* asserts that in the autumn of 1871 the President had secured the signature of his brother Clarkson, to a contract for this building on behalf of the College. If so, the fact was unknown and unauthorized by the Board or the committee of which Mr. C. N. Potter was only the chairman and in view of the letter below, is strangely unaccountable, or shall we say, incredible.

The following communication was received by the Board of Trustees, June 26, 1872.

NEW YORK, *January 2, 1872.*

To the Board of Trustees of Union College :

GENTLEMEN :

We have heretofore agreed to subscribe certain sums in aid of the College (in particular on the

part of one of us for the ornamentation of the College grounds). In view of the needs of the College, we have, however, since determined, with your approval to increase our subscriptions to \$20,000 each, to embrace and be in lieu of previous subscriptions, the same to be expended in the erection of a central chapel building as a memorial of our deceased father and grandfather so long and intimately connected with the College.

We remain, gentlemen,

Faithfully yours,

CLARKSON N. POTTER,

HOWARD POTTER."

In view of such a letter what are we to think of the charge made against himself and his brother by the President, *Decennial Review*, page 74 ?

This building, *as authorized by the proper authorities*, is fully described by the President in his report, 1872.

Conforming in general to the original plan it will furnish ample work rooms, offices, etc., on the ground floor. In the stories above it will give needed accommodations to the engineering department of the College, affording also a beautiful chapel, and a large lecture room and museum, as well as a room for the debates and banquets of the alumni."

The history of what is known as the first contract with the Cornells, is briefly as follows :

June 6, 1874. Mr. Stimers (for the Messrs. Cornell) writes to Dr. Potter :

“I found your letter with proposed form of contract for work on your Alumni Hall on my desk this morning. Enclosed herein please find such a letter which will become a contract by a written acceptance on your part.”

NEW YORK, *June 6th*, 1874.

To the Board of Trustees of Union College :

GENTLEMEN :

We will furnish and erect in place complete at Alumni Hall of Union College, Schenectady N. Y. The cast iron columns, aisle roof, dome and lantern, all as per plans and specifications; including the painting (and in place of the Latin cross, a Greek cross or other ornament of equal cost and a design to be approved by the finance committee) for the sum of \$24,993. And together with the above the floors, stairs and railings for the further sum of \$25,432.

The total sum being \$50,425.

Our proposal includes the slating and plastering, everything indeed except the marble for barrel of the dome. The proposal for the floors and stairs contemplates iron stairs, iron beams for floors, indeed a thoroughly fire-proof construction; and in place of the rear stairway on the left hand side from the entrance, a lift of like appearance and value.

In case there are any additions or omissions to or from the specifications as indicated in the foregoing, they will be made at the same prices as have been employed in arriving at the amounts stated herein.”

“ We are, very respectfully yours,
J. B. and J. M. CORNELL.”

It will be noted that the above “*form of contract*” prepared some weeks before the meeting

of the Board included two distinct propositions, and was based upon definite "plans and specifications" but with no hint in its very general reference to "floors and stairs" of the radical change from "stories" to "one large room with alcoves and galleries open from floor to roof." Yet there is abundant evidence to prove this plan was already determined on by the architect and detailed to the contractors in the "plans and specifications" upon which this vague statement *drafted by the President for the Board*, was based.

At this time Memorial Hall was about ready for the roof, the walls had been prepared for "stories." The great central column and the wooden beams were in the building. This central column was retained long after.

It was just here in response to Mr. C. N. Potter's offer of \$10,000 additional, on condition of a dome and fire proof building that the Board

Resolved, * "In addition to the sum of \$50,000 so as aforesaid contributed by the sons of Bishop Potter, there be also appropriated out of the funds of this institution the further sum of \$50,000, to be applied to the completion of the said memorial building, and that the finance committee be authorized to take all necessary measures for giving effect to this resolution."

* See for fuller details Judge Potter's reply to Mr. Harrison.

This refers to the fact, well understood at the time and confirmed by the President's own statement in his report dated June, 1876, that this was a "land grant."

The Board could have voted so large a sum on no other basis, for in 1874 the treasurer's report shows (apart from its lands, speculative and unproductive) an actual deficit of several thousand dollars in net capital. The trustees were given to understand (what was afterwards stated in print) that this great expense could be "met without trenching upon the educational funds." But at this memorable meeting of the Board, June 23, 1874, it was further resolved "that the treasurer be authorized and instructed on behalf of this board to sign the contract now submitted, or such other contract, not in any event, however, exceeding \$30,000, *as may be sanctioned by the President, the professor of Civil Engineering, who is hereby appointed inspector and the Rev. Dr. Backus, of the finance committee, for the erection of the iron dome and the covering in of the building before the coming winter, and* WITH THE CONCURRENCE OF THE FINANCE COMMITTEE, *for the completion as soon as may be practicable, of the fire-proof interior of the said building.*"

"Judge Potter was, on motion, added to the committee."

Thus far the Board had itself accepted no contract, but simply referred for deliberate consideration and action any such contract to a certain committee.

But this did not go far enough nor fast enough. Accordingly, in the hurried meeting of Commencement morning, Dr. Potter himself offered the following :

“Resolved, that the offer of Messrs. J. B. and J. M. Cornell to erect the iron dome of the central building by the fifteenth of November next, be hereby accepted, and that the treasurer is hereby directed to contract with Messrs. Cornell for the work and to sign the acceptance of their offer on this Commencement day, June 24, 1874.”

And on the basis of this resolution Dr. Potter drafted a letter for the treasurer to sign and despatched it the same day, accepting for the College this first contract.

He also ordered the following note to be made after the minutes of the meeting, June 24th.

“In offering the resolution, the President explained that specifications for the work had been received subsequent to yesterday’s action ; the restriction to \$30,000, he understood would apply to interior work, the total from the College in no event to exceed \$60,000 unless by order of the Board.” (An odd statement in view of the fact that the contract dated June 6th, was the only one ever presented to the Board).

June 26th the Cornells acknowledge the letter accepting their proposal “for building the columns, roofs, dome, etc., of the Alumni Hall” and promise to “put the work in hand at once and prosecute it to completion with despatch:”

Prof. Pearson replies, June 27th, "at the time my letter of the 24th was sent, the specifications submitted by you had not been seen by our authorities; but as soon as they can be examined and passed upon, the contract will be sent to you for execution and the negotiation closed."

Thus the *first contract* was prematurely sprung upon the Board and the committee had no option but to obey.

Professor Staley insisted upon certain modifications for the protection of the building; on these they acted, and Judge Potter stated that payment would only be made "upon certificate of Professor Staley, our superintendent, on the completion of the work."

ANALYSIS OF 2D CONTRACT FOR INTERIOR IRON WORKS.

Oct. 5, 1874. A letter from Messrs. Cornell to Judge Potter, which seems in reply to some suggestion in regard to a land contract.

Oct. 7, 1874. Judge Potter's reply declining their proposition and giving reasons "propose in some respect to change the plans" "diminish the expense, further negotiations needful before we can give an acceptance of your proposition on any terms."

Nov. 4, 1874. Letter addressed to Board of Trustees, (altered in Dr. Potter's own hand to read "President or trustees.") This is known as the 2d contract and was based on land or $\frac{1}{3}$ land payments, and noted certain possible alterations.

Nov. 9, 1874. An acceptance of this second contract sent for Prof. Pearson to sign on behalf of the College. Dr. Potter stated that he had seen certain trustees, especially Judge Potter and myself who authorize the treasurer to sign said acceptance. This is not true. We had no such authority apart from the concurrence of the finance committee nor would we have authorized any second letter contract. This contract was made on the President's responsibility. It was kept for months afterwards in the background and the delay in acting upon its terms seriously compromised the result.

Jan. 26, 1875. Judge Potter informs the Board that the Cornells will accept land payments. A resolution based upon Dr. Potter's own unauthorized foot-note substituting \$60,000 for \$50,000 but authorizing the treasurer to sign under the *direction* of the finance committee was adopted (no one happening to note the change, it passed unchallenged).

Feb. 26, 1875. Letter from Mr. Stimers stating that the architect's objection to second story and that he must have the upper gallery for an organ.

March 27, 1875. A letter from Mr. Stimers to Dr. Potter. This is an acknowledgment of an order to go on and put in one main floor and two galleries."

Probably most of the Board already know of the troublesome and expensive complications which resulted from these two unbusiness like and hasty letter-contracts. The necessity for a large cash instead of land payment, the worry and embarrassment of cross-purposes and the exchange of utility for mere show in the interior arrangements of building Memorial Hall.

It is argued that slight interpolations, even though unauthorized, can do no great harm to the College, but a single note as to Dr. Potter's understanding appended to the regular minutes of the Board, was made the basis of a usurpation of authority in closing the 2d Cornell contract, which cost the institution thousands of dollars and the loss, for any important ends, of a building representing an annual income of seven thousand dollars.

NEW YORK, *November 4th*, 1874.

**To the Board of Trustees of Union College:*

GENTLEMEN.

We will furnish and erect in place complete, at the Alumni Hall of Union College, Schenectady, N. Y., the gallery, floors, stairs and railings all as described in the specifications of the architect now in our possession, for the sum of twenty-three thousand six hundred and eighty-one dollars (23,681.00), additional to the sum already agreed upon for work now in progress by us upon the same building.

In case there are any additions or omissions to or from the specifications, they will be made at the same rates as have been employed in arriving at the foregoing amount.

The probable deductions are :

The number of stairways,

The changing of gallery floors from "present form,"†

The probable additions are:

Providing access to lantern,

Putting in a lift,

Making the main floor of iron,

Providing outside steps,

Ditto doors and possibly partitions,

Marble pt. drum and lantern of dome,

Glass for windows, painting in colors,

Plastering walls, finishing foundation, &c., &c., so as to make a completed work of the entire building.

We wish it understood however, that with regard to‡ materials and labor which it may be

*Address changed "President or," written over "Board of" — in Dr. Potter's handwriting.

† "Present form" written in Dr. P.'s hand writing over other words erased.

‡ "Additions" are added in (Dr. P.'s hand writing) requiring the preposition of.

desired that we shall furnish and perform, but which are not directly in our line, shall be subject to mutual agreement as to prices in each case, and we shall not be compelled to furnish them except at prices satisfactory to ourselves.

Terms. For all of the foregoing work we would be willing to accept land at Hunter's Point, Long Island city) as follows :

When the work arrives at Schenectady and before it is put in place, let the College appoint a disinterested person and we will do the same ; the two acting as a committee of appraisal, with instructions to fix upon the cash value which the lands possess at that time. If they do not agree, let them appoint a third disinterested person, we will agree to take the lands at the prices thus determined.

Or, if the College prefer. We will accept two-thirds ($\frac{2}{3}$) cash and one-third ($\frac{1}{3}$) in lands at Hunter's Point, situated in block No. 19, of your map, say any of the lots from No. 15 to 20 inclusive and No. 33 to 40 inclusive, at the rate at which we are informed the College now hold them viz : one thousand dollars per lot.

We are respectfully,

(Signed) J. B. & J. M. CORNELL,
per Stimers.

P. S. The specifications referred to in the foregoing are a copy of those originally sent to the College in June last, and we are informed by the President are now on file there.

He requests us to omit two stairways and furnish a main floor of iron.

(Signed) J. B. & J. M. C.
S.

UNION COLLEGE, *Nov. 9, 1874.*

To the Treasurer of Union College,

DEAR SIR :

Enclosed you will find the proposal of the Messrs. Cornell lately received, and our accept-

ance of the same. I have seen our Trustees in New York during the past week, and previously those residing elsewhere, and find them desirous that the purpose of their resolution providing for the prompt completion of the Central Building, should now be fulfilled,

Approximate estimates from other iron firms have been secured for the completion of the interior, all calling for payment in cash. The Cornell bid is by far the lowest, while payment will be received in whole or part in land, and their reputation assures us first-class work.

The members of the Board and finance committee, whom I have seen appreciate the liberality of the proposal and the importance of its prompt acceptance ;

In conformity with my understanding with the Board of Trustees, when the appropriation of fifty thousand dollars to the building was made, the whole subject has been laid before members of the Board and finance committee, but as especially directed before Dr. Backus and Judge Potter, and their approval has been given to the enclosed letter, which I have stated to them I would present for your signature, and then mail to the Messrs. Cornell.

Sincerely yours,
(Signed) E. N. POTTER.

SCHENECTADY, *Nov. 9, 1874.*

MY DEAR PROF. PEARSON :

Mr. Heyward will hand you the original specifications for the Memorial Hall. I find that I have a duplicate copy here if it is needed. With this, also, you will receive a copy of the acceptance, mailed to-day, and an envelope containing the first acceptance, together with papers relating to the contract, &c., &c. I think these are

all the papers of any importance which have been in my hands. One or two more might be found on further search.

Should the faculty assemble for meeting at 4 o'clock to-day, be good enough to send me over word at that time.

Sincerely yours,
E. N. P

(Signed)

To Mr. Stimers

For Messrs. J. B. & J. M. Cornell.

UNION COLLEGE, *Nov. 9, 1874.*

DEAR SIR:

Your communication of Nov. 4th, has been received at the College. The President having conferred with members of the Board of Trustees and finance committee, requested me to acknowledge your letter above referred to accepting the proposition which you make on behalf of the Messrs. Cornell, for the completion of the Alumni or Memorial Hall of Union College. It is to be understood that two staircases and two galleries will suffice for all present needs; as we desire in place of the stairs and gallery thus omitted to secure a main floor of iron and the means of access to the lantern and a lift or such items as may be equivalent to those omitted.

Points subject to future mutual agreement can be discussed at a later date; and so also the choice in methods of payment which you give us. We desire that the iron frame of the dome shall be in place without fail this autumn and in that case we shall be ready to make a fair payment for the work thus completed.

We desire also the completion of the building by Commencement day, which comes on the last Wednesday of June next; and as all material can be procured this winter, we see no reason for

further delay, especially as you have authority to proceed with your own plans if satisfactory to the finance committee, should the plans from the architect not be provided with reasonable despatch; we understand your agreement to be that the completion of the whole work shall not be postponed later than the month of August, in the year 1875, ensuing.

Very respectfully yrs
 (Signed) JONATHAN PEARSON,
Treasurer of Union College.

(Copy of the letter mailed to-day).

NEW YORK, Nov. 12, 1874.

REV. DR. E. N. POTTER.

President of Union College, Schenectady.

DEAR SIR :

We have received from Prof. Pearson treas., the acceptance of our proposal dated the 4th inst., in a communication dated the 9th inst.

We feel confident that we can meet the wishes of the College as therein expressed.

We are very respectfully yours,
 (Signed) J. B. and J. M. CORNELL,
 per Stimers.

MINUTES OF BOARD OF TRUSTEES.

Jan. 26, 1875.

Judge Potter having explained the willingness of the Messrs. Cornell to take land in payment, providing the completion of the central building was entrusted to them, the following resolution having been presented, was, on motion of Judge Allen, adopted unanimously :

Resolved, that the finance committee (and subject to their direction, the treasurer), do ^{be} hereby authorized to enter into agreement with the Messrs. Cornell to complete the Central Building with all reasonable despatch (including steps, porches, fire proof floors, windows, &c., &c.), provided the Messrs. Cornell will accept land, in whole or part payment ; and provided, also, that cash payments in addition to the amount of the donations by Messrs. Clarkson N. Potter, and Howard Potter shall not exceed (except by the further order of the Trustees), the total of sixty thousand dollars (\$60,000) already authorized by this Board to be paid on behalf of the College.

EXTRACT FROM LETTERS TO REV. DR. E. N.
POTTER.

NEW YORK, *Feb.* 26, 1875.

“The architect insists upon the upper gallery, as he wants to put an organ up there, and he decides that a complete floor at the height of the first gallery would destroy the architectural effect which he purposes to produce in the interior; as the price for the galleries has already been agreed upon, we would suggest that when you have decided, that you will carry out the views of the architect, if you would kindly give us the order, we could have the work in hand while you are reflecting upon the two other items.

We are very respectfully,
(Signed) J. B. & J. M. CORNELL,
Per Stimers.”

NEW YORK, *March* 22, 1875.

REV. DR. E. N. POTTER,

President Union College.

DEAR SIR:

We have your favor of the 20th inst., conveying order for us to go on and put in the two galleries and the iron framings for main floor. We will put them in hand at once, preparatory to sending them up when navigation opens, when they will be promptly put in place.

We will put the framings for lift (4 ft. square) in the next angle northerly, from the northerly stairway on the west side.

We are respectfully,
(Signed) J. B. & J. M. CORNELL.
per Stimers.

SCHENECTADY, 29th June, 1875.

MESSRS. J. B. & J. M. CORNELL,

GENTLEMEN :

The finance committee on Tuesday last, submitted to the Board of Trustees of Union College, the 2d contract with your house, as to the iron work, etc., done for Memorial Hall. In view of the present inconveniences of obtaining money, we resolved to take the option of payment in lands, and I was directed to communicate to you (as you desired) what would be their conclusion in the matter.

The details of carrying out the agreement has been referred to myself. I will be ready at your convenience to meet you in consummating this matter. Hoping to close the arrangement with mutual satisfaction of the parties, I am.

Respectfully,
(Signed)

P. P.

The delay in securing this action of the finance committee, seems to have been from the fact that it was not easy to explain just how this second contract (Nov 9, 1874), with the official signature of the treasurer, had been concluded without the order of the finance committee; especially as Judge Potter and myself never authorized any such contract as was stated to treasurer.

This historical record will serve to show why some of the trustees were so sternly resolute in resisting the earlier proceedings in respect to the Washburn & Powers memorial building; the

arrogant assumption of a right to solicit funds, and employ architect and invite proposals for contractors and publish invitations for laying a corner stone, without the slightest shadow of authority from, or consultation with the Trustees of the College; and why the Board felt compelled by its stringent arrangements with the supervising building committee, to restrain the President from again imperiling the finances of the College, and its reputation for honest and honorable dealing.



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